

# **RAILROAD COMMISSION OF TEXAS**

## **GAS SERVICES DIVISION**

### **GAS UTILITIES INFORMATION BULLETIN**

**No. 732**



## **RAILROAD COMMISSION OF TEXAS**

**Victor G. Carrillo, Chairman**  
**Charles R. Matthews, Commissioner**  
**Michael L. Williams, Commissioner**

**Steve Pitner**  
**Director**  
**Gas Services Division**

**September 25, 2003**

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Final Order issued in GUD No. 9363: Application of Crosstex CCNG Transmission, Ltd. Pursuant to §311 of the Natural Gas Policy Act for Review of the Reasonableness of a Transportation Rate.

**SECTION 1**  
**NEW APPEALS AND APPLICATIONS FILED**

**DOCKET NO.** -- 9458  
**CAPTION** -- Application of Texas Gas Service Company for Review of Relocation Cost Recovery Clause to be Included in Their Rates.  
**DATE FILED** -- 09/12/2003  
**FILED BY** -- Greg Phillips  
**EXAMINER** -- Rose Ruiz

**DOCKET NO.** -- 9459  
**CAPTION** -- Petition for Review of TXU Gas Company From the Actions of Municipalities Denying A Rate Request and Expedited Motion to Consolidate.  
**DATE FILED** -- 09/29/2003  
**FILED BY** -- John E. Moeller, Jr.  
**EXAMINER** -- John Chakales, Michelle Lingo

**SECTION 2**  
**APPEALS AND APPLICATIONS SET FOR HEARING OR PREHEARING CONFERENCE**

None at this time.

**DOCKET NO.** --  
**CAPTION** --  
**EXAMINER** --  
**DATE & TIME** --  
**PLACE**

**SECTION 3**  
**STATUS OF PENDING CASES**

None at this time.

**SECTION 4**  
**NOTICES OF DISMISSAL**

None at this time.

**SECTION 5**  
**ORDERS OF THE COMMISSION**

APPLICATION OF CROSSTEX CCNG	§	
TRANSMISSION, Ltd. PURSUANT	§	
TO §311 OF THE NATURAL GAS POLICY	§	GAS UTILITIES DOCKET NO. 9363
ACT FOR REVIEW OF THE	§	
REASONABLENESS OF A	§	
TRANSPORTATION RATE		

**ORDER**

Notice of Open Meeting to consider this Order was duly posted with the Secretary of State within the time period provided by law pursuant to TEX. GOV'T CODE ANN. Chapter 551, *et seq.* (Vernon 1994 & Supp. 2003). The Railroad Commission of Texas adopts the following findings of fact, conclusions of law, and orders as follows:

**FINDINGS OF FACT**

1. Crosstex CCNG Transmission, Ltd. (Applicant) owns and operates an intrastate natural gas pipeline within the State of Texas.
2. Applicant transports natural gas on behalf of others pursuant to §311(a)(2) of the Natural Gas Policy Act of 1978, 15 U.S.C. §3371, *et seq.*
3. On January 21, 2003, Applicant filed with the Railroad Commission of Texas (Commission) an application for review of the reasonableness of a transportation rate.
4. On May 23, 2003, Applicant filed with the Commission supporting direct testimony and exhibits.
5. Applicant does not seek to change or modify any existing intrastate rates.
6. Due notice of this proceeding was served on all persons for whom Applicant performs §311(a)(2) transportation services.
7. This docket was processed informally without an evidentiary hearing. No motion to intervene or statement of protest was filed.
8. Applicant has shown that a transportation rate of \$0.11 per MMBtu (plus prorata share of any compressor fuel, any regulatory fees, any new or increased taxes assessed upon Applicant, and any reimbursement of treating costs in connection with such service) is just and reasonable, fair and equitable, and not in excess of a cost-based rate.

**CONCLUSIONS OF LAW**

1. Applicant is an intrastate "gas utility" pursuant to TEX. UTIL. CODE §§101.003 and 121.001 (Vernon 1998 & Supp. 2003).
2. The application is properly before the Commission pursuant to 15 U.S.C. §3371, *et seq.*, and TEX. UTIL. CODE ANN. §§102.001 and 121.151 (Vernon 1998).
3. A transportation rate of \$0.11 per MMBtu (plus prorata share of any compressor fuel, any regulatory fees, any new or increased taxes assessed upon Applicant, and any reimbursement of treating costs in connection with such service) is just and reasonable, fair and equitable, and not in excess of a cost-based rate.

**THE RAILROAD COMMISSION OF TEXAS** hereby finds that the rate of \$0.11 per MMBtu (plus prorata share of any compressor fuel, any regulatory fees, any new or increased taxes assessed upon Applicant, and any reimbursement of treating costs in connection with such service) for transportation service by Crosstex CCNG Transmission Ltd.. is just and reasonable, fair and equitable, and not in excess of a cost-based rate.

**IT IS ORDERED** that Crosstex CCNG Transmission, Ltd. shall comply with all applicable curtailment orders of the Commission.

**IT IS FURTHER ORDERED** that all proposed findings of fact and conclusions of law not specifically adopted herein are **DENIED**.

**SIGNED** this 22<sup>nd</sup> day of September, 2003.

**RAILROAD COMMISSION OF TEXAS**

\_\_\_\_\_  
/s/ Victor G. Carrillo, CHAIRMAN

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/s/ Charles R. Matthews, COMMISSIONER

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/s/ Michael L. Williams, COMMISSIONER

**ATTEST:**

\_\_\_\_\_  
**SECRETARY**

**SECTION 6**  
**MISCELLANEOUS**

**STEVE PITNER, GAS SERVICES DIVISION DIRECTOR**

**1. OFFICE OF THE DIRECTOR**

**A. Publications**

1. Texas Utilities Code Titles 3 and 4. Special Rules of Practice and Procedure and Substantive Rules - \$15.00
2.
  - a. Annual Report for Fiscal Year 2002 – Now available via the Commission’s website at:  
<http://www.rrc.state.tx.us/divisions/gs/tablecontents02.html>
  - b. Annual Report for Fiscal Year 2001 – available via the Commission’s website at:  
<http://www.rrc.state.tx.us/divisions/gs/tablecontents01.html>
  - a. Annual Report for Fiscal Year 2000 - \$17.00 (includes statistical data for 1999)
  - b. Annual Report for Fiscal Year 1999 - \$9.00 (includes statistical data for 1998)
  - c. Annual Report for Fiscal Year 1998 - \$7.00 (includes statistical data for 1997)
3. Six MCF Monthly Residential Gas Bill Analysis for Twenty-five Texas Cities - \$2.00 – Now available via the Commission’s website at: <http://www.rrc.state.tx.us/divisions/gs/rap/sixmcf.html>

Anyone who wishes to obtain a copy of any of the publications or maps listed in Section A should contact the Central Records Section at 512-463-6887 OR 512-463-6882 P. O. Box 12967, Austin, Texas 78711-2967.

**B. Interest Rate on Customer Deposits**

We have been advised by the Public Utility Commission that the interest rate to be applied to customer deposits in calendar year 2003 is 6.00%. All gas utilities should use this rate.

**2. UTILITY AUDIT SECTION**

- A.** Maintains headquarters and three district offices as follows:  
Headquarters - William B. Travis Building  
1701 North Congress, P. O. Box 12967, Austin, Texas 78701  
Ed Abrahamson, Assistant Director

Telephone (512) 463-7022

Dallas District- 1546 Rowlett Rd., Suite 107, Garland, Texas 75043

Telephone (972) 240-5757;  
Fax (972)303-1897

Stephen Cooper, Auditor  
Josh Settle, Auditor

Austin District- P. O. Box 12967, Austin, Texas 78711-2967

Telephone (512) 463-7022

Houston District- 1706 Seamist Drive. Suite 501, Houston, Texas 77008-3135

Telephone (713) 869-8425;  
Fax (713)869-3219

Dale Francis, Auditor  
Margie Stoney, Auditor  
Konata Uzoma, Auditor  
Lekisha Churchwell, Auditor  
Larry Alcorn, Auditor

**B. Gas Utility Tax, Annual Reports and Audit Reports**

Questions relating to gas utility tax, annual reports and audit reports, call Shannon L. Miller at (512) 463-7022.

**C. Available Information**

Copies of company annual reports (1994 to present), as well as information relating to any of the above, A through C, are available for review at the William B. Travis Building, Gas Services Division, 9th Floor, 1701 North Congress. All requests for copies must be made in writing and should be addressed to the Audit Section. Copies will be provided for a fee, depending on the volume of copy work desired, allow a minimum of five days for completion of requests. Inquiries regarding copies should be directed to the Audit Section at (512) 463-7022, or Fax your request to (512) 475-3180.

**3. MARKET OVERSIGHT****A. Maintains the following office to assist you:**

Headquarters - William B. Travis Building  
1701 North Congress, P.O. Box 12967, Austin, Texas 78711  
William O. Geise, Director

Telephone (512) 463-7164

**B. Gas Utilities Information Bulletin**

Published on the Commission's web site at: <http://www.rrc.state.tx.us/divisions/gs/rap/rapbls.html>.

**C. Proposals For Decision**

Published on the Commission's web site at: <http://www.rrc.state.tx.us/divisions/gs/rap/pfds.html>.

**D. Tariff Filings**

Questions pertaining to the filing of tariffs and/or quality of service rules should be directed to Kathy Arroyo, Yolanda Lovelace or Marie Blanco at (512) 463-7164.

**E. Curtailments**

Curtailment questions should be referred to (512) 463-7164. Curtailment reports made Monday through Friday, 8:00 a.m. to 5:00 p.m., should be made to (512) 463-7164. Curtailment reports made during hours other than those specified above and holidays, should be made to (512) 463-6788.

**F. Compliance Filings**

Questions regarding gas utilities docket compliance filing requirements should be referred to Jackie Standard at (512) 463-7164.

**G. Complaints and Inquiries**

All complaints and inquiries relating to the gas utility industry should be directed to the Market Oversight Section at (512) 463-7164.

**H. Pending RRC Rules and Regulations:**

GUD No. 9221 Amendments to Quality of Service Rules

GUD No. 9253 New Rule for Relocation Cost Recovery Factor

GUD No. 9257 Amendments to §7.450 Gas Distribution in Mobile Home Parks, Apartment Houses and Apartment Units.

GUD No. 9275 Amendments to §7.512 NGPA Section 311 Rate Review

GUD No. 9276 Amendments to §7.511 TUC Section 102.054 Sale, Transfer, Merger Reviews

GUD No. 9277 Amendments to §7.305 Curtailment Rule

GUD No. 9303 Amendments to §7.465 Abandonment Rule

GUD No. 9334 Amendments to §7.310 System of Accounts

**4.     HEARINGS AND LEGAL ANALYSIS****A.     Miscellaneous**

Anyone wishing to obtain copies of appendices to Orders appearing in Section 5 of this Bulletin should contact the Legal Division at (512) 463-7017.

**B.     Status of Pending Cases**

The status of all pending cases listed in Section 3 of this Bulletin is for informational purposes only and is complete up to the time of printing of this Bulletin. For a more accurate status of pending cases, please call the Legal Division at (512) 463-7017.